

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 09-50026

In the Matter of:

GENERAL MOTORS CORPORATION, et al.,

Debtors.

U.S. Bankruptcy Court

One Bowling Green

New York, New York

August 18, 2009

9:46 AM

B E F O R E:

HON. ROBERT E. GERBER

U.S. BANKRUPTCY JUDGE

1 Application of Debtors For An Order Pursuant To Sections 327(a)
2 And 328(a) Of The Bankruptcy Code And Bankruptcy Rule 2014(a)
3 Authorizing The Employment And Retention Of Evercore Group,
4 L.L.C. As Investment Banker and Financial Advisor for the
5 Debtors Nunc Pro Tune To the Petition Date - Status Conference
6

7 Motion of Debtors for Entry of an Order Pursuant to 11 U.S.C.
8 Sections 105 and 363 (A) Establishing Procedures for the
9 Disposition of De Minimis Assets, and (B) Authorizing the
10 Debtors to (i) Pay Related Fees, and (ii) Assume, Assume and
11 Assign, or Reject Related Executory Contracts or Unexpired
12 Leases

13

14 Motion of Debtors for Entry of an Order Pursuant to Bankruptcy
15 Rules 9006(b) and 9027 Enlarging the Time Within Which to File
16 Notices of Removal of Related Proceedings

17

18 Motion of Debtors to Strike the Declaration of Oliver Addison
19 Parker from his Designation of the Record and Issues on Appeal

20

21 Motion of Debtors for Entry of Order Granting Additional Time
22 to File Reports of Financial Information or to Seek
23 Modification of Reporting Requirements Pursuant to Bankruptcy
24 Rule 2015.3

25

VERITEXT REPORTING COMPANY

212-267-6868

516-608-2400

1 Application to Employ FTI Consulting, Inc. Application of
2 Official Committee of Unsecured Creditors for Entry of Order
3 Authorizing the Retention and Employment of FTI Consulting,
4 Inc., as its Financial Advisor, Nunc Pro Tunc to June 3, 2009
5
6 Motion of Debtors for Entry of Order Pursuant to 11 U.S.C.
7 Section 363 Authorizing the Debtors to Amend the Terms of Their
8 Engagement Letter With AP Services, LLC
9
10 Debtors' Fifth Omnibus Motion Pursuant to 11 U.S.C Section 365
11 to Reject Certain Executory Contracts
12
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25 Transcribed by: Dena Page

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12 OLIVER ADDISON PARKER, IN PROPRIA PERSONA

13

Interested Party

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(TELEPHONICALLY)

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1 P R O C E E D I N G S

2 THE COURT: We have General Motors. Do I have some
3 lawyers for General Motors, here?

4 MR. PARKER: Yes, Judge, this is Oliver Parker.

5 THE COURT: All right.

6 MR. PARKER: I'm here with an item on the docket.

7 THE COURT: Yes, Mr. Parker, just a minute, please.

8 MR. PARKER: Sure.

9 THE COURT: Mr. Karotkin?

10 MR. KAROTKIN: Yes, Your Honor.

11 THE COURT: You're appearing for the debtors?

12 MR. KAROTKIN: Yes, sir. Stephen Karotkin, Weil,
13 Gotshal & Manges for the debtors. Sorry to be a couple of
14 minutes late. We were outside discussing a couple of matters.
15 Would you like to proceed in the order of the agenda, sir?

16 THE COURT: Whatever you prefer.

17 MR. KAROTKIN: Okay, the first item, Your Honor, is
18 the application to retain the firm of Evercore Group, LLC, as
19 investment banker and financial advisor. I believe, as we
20 advised chambers, last week -- excuse me -- the creditors'
21 committee has requested to take discovery in connection with
22 this application. And consistent with your court rules, we
23 would like to set it down for an evidentiary hearing --

24 THE COURT: Okay.

25 MR. KAROTKIN: -- sometime in September, subject, of

1 course, to your availability.

2 THE COURT: All right. I can't give you the date off
3 the bench. I'm going to have to consult Ms. Blum. You and the
4 creditors' committee and anyone else who wants to weigh in on
5 this should caucus with her, find out what's available, find
6 out how much trial time you need, and we'll take it from there.

7 MR. KAROTKIN: Okay, we will do that, sir. The next
8 item will be handled by my colleague, Ms. Berkovich.

9 THE COURT: Was that Berkovich?

10 MS. BERKOVICH: Yes, sir.

11 THE COURT: Thank you, good morning.

12 MS. BERKOVICH: Good morning, Your Honor. Ronit
13 Berkovich, Weil, Gotshal & Manges for the debtor, Motors
14 Liquidation Company. I'll be handling docket number 3478,
15 which is the debtor's motion for approval of procedures to sell
16 de minimis assets. The debtors received four formal objections
17 to the motion and several informal objections and inquiries.
18 Debtors have been able to engage in discussion --

19 THE COURT: Pull the microphone closer to you, so I
20 can hear you over the air conditioning system, please.

21 MS. BERKOVICH: The debtors have had discussions with
22 all of those parties and have been able to resolve all of the
23 objections and the concerns other than those raised in the
24 objection of IDB Leasing. The debtors have made changes to the
25 proposed order to resolve the concerns of all of the objectors.

1 IDB Leasing is objecting on the basis that they own the
2 property that they're leasing to the debtors, and that the
3 debtors cannot sell property they do not own

4 THE COURT: Yeah, that seemed to have a surface
5 appeal. Is there something I'm missing?

6 MS. BERKOVICH: Well, the debtors are not seeking to
7 sell any property that they don't own. The order does not
8 permit them to do so, and so the objection has no merit.

9 THE COURT: Then why couldn't you resolve it?

10 MS. BERKOVICH: We explained to IDB Leasing that
11 there's nothing in the order that would allow us to sell
12 property that the debtors don't own or to otherwise avoid the
13 requirements of Section 365 relating to the assumption and
14 assignment of leases. But we were unable to resolve it, and we
15 don't understand the basis of the objection.

16 THE COURT: Well, let me hear from counsel for IDB
17 Leasing.

18 MR. DOSHI: Thank you, Your Honor. For the record,
19 Amish Doshi with Day Pitney on behalf of IDB Leasing, Inc.
20 Your Honor, one of the issues that was raised was the precisely
21 mentioned and the one that Your Honor picked up. This is
22 leased equipment; they can't sell it. The language in the
23 order is very broad; all it says is assets. We merely ask for
24 a representation in the order that, pursuant to these sales
25 procedures, they're not going to sell any leased property. If

1 they want to sell property owned by the debtor, that was fine,
2 and that was the point of contention as set forth in our
3 papers. This is leased equipment, so they can't sell it. They
4 have to comply with 11 U.S.C. 365.

5 And the other two points, I'm not sure if they're
6 resolved or not, but the second point we have raised was to the
7 extent that the notice was going to be sent, it was going to be
8 on ten calendar days. I was informed by counsel that, based on
9 some other parties' objections, as well, they're changing that
10 to ten business days. That would be fine, Your Honor.

11 And the third point was, which I am informed is not
12 resolved, as well, which is that we had indicated that to the
13 extent that it involves any of the IDB lease or the IDB
14 equipment, the notice be sent to its counsel. And I'm not sure
15 why that's a point of contention, but we would request that any
16 notice involving not just -- any sale involving -- or
17 assumption or assignment, which is probably the proper course
18 in this case, be given to the attorneys, which is our firm, not
19 just the parties.

20 THE COURT: I've got a sense of frustration with both
21 sides, Mr. Doshi. Unfortunately, you're up at the lectern,
22 now. Maybe Ms. Berkovich can come up to the lectern next to
23 you, and then I can express the frustration to both of you at
24 the same time. But here we have a multibillion dollar case.
25 Everybody in the courtroom, probably everybody in the east

1 coast agrees that the debtor can't sell anything that it
2 doesn't own. You guys seemingly agree upon that. And I cannot
3 understand what there is for me, as a judge, to decide. I
4 can't understand why, between the two of you, you can't craft
5 an order that says the debtors' ain't going to sell anything
6 that they don't own, that the debtors are going to comply with
7 the requirements of applicable law, including 365, and the
8 difference between whether a client or a lawyer gets notice or
9 whether it's ten business days or ten calendar days, are hard
10 for me to understand why I have two lawyers standing up in
11 front of me in a full courtroom, debating something of that
12 character. Now, I'll give each of you an opportunity to
13 respond in turn. Maybe Ms. Berkovich, you're the first.

14 MS. BERKOVICH: Your Honor, we've resolved the ten
15 business days versus ten calendar days issue, as well as the
16 issue of providing notice to counsel. The order has been
17 revised to address both of those, and we have discussed that
18 with IDB's counsel. On the last point, we just did not think
19 that we have to respond to every objection that has absolutely
20 no merit. As you said, everyone knows that you cannot sell
21 property you do not own. Nothing in this order --

22 THE COURT: Then why can't you give me an order that
23 says that in baby talk.

24 MS. BERKOVICH: Okay, I think that if you give us a
25 few minutes, perhaps we -- I can discuss this with IDB's

1 counsel. We can come up with language that's agreeable to both
2 sides and then we can report to the Court at the end of the
3 hearing.

4 THE COURT: Very good. Thank you.

5 MR. DOSHI: Thank you.

6 THE COURT: Thank you. Ms. Caton?

7 MS. CATON: Good morning, Your Honor. Amy Caton from
8 Kramer, Naftalis, Levin & Frankel on behalf of the creditors'
9 committee. The creditors' committee negotiated a number of
10 changes to the de minimis assets sale order, and while I don't
11 want to burden Your Honor with going through those in front of
12 a crowded courtroom, I would just like to state that the bulk
13 of these were to make sure that the committee is being involved
14 in the process of asset sales, and has notice so that we can
15 ensure that the debtors are remaining in compliance with the
16 wind-down budget.

17 THE COURT: Sure. Thank you.

18 MS. CATON: Thank you, Your Honor.

19 THE COURT: Okay, Mr. Karotkin. Removal motion? Is
20 that the next one?

21 MR. KAROTKIN: Yes, sir. Your Honor, the removal
22 motion is fairly self-explanatory. The only objection is with
23 respect to a matter that has already been the subject of
24 removal. So we believe that the objection is moot.

25 THE COURT: Right. I'd like to interrupt you,

1 Mr. Karotkin. Is the objector here in the courtroom or on the
2 phone?

3 MR. KAROTKIN: No, I don't think so, Your Honor. They
4 advised us that they were not going to appear by phone. We did
5 have some discussions with them over the last few days and
6 explained to them that we intend to come up with procedures to
7 deal with the number of litigation-related claims that will be
8 filed in connection with these estates, and they were satisfied
9 with those discussions. And we said we would get back to them
10 as to the manner in which we would propose to proceed and keep
11 them advised, and they said they wouldn't appear today.

12 THE COURT: You're talking about the one entity whose
13 claims have been removed?

14 MR. KAROTKIN: Correct, sir.

15 THE COURT: All right. I'm not going to make
16 extensive findings on this. The debtors have shown that they
17 have something like 31,000 of these matters. Plainly, they
18 have the need to get their arms around them. This objector
19 lacks standing to object to procedures that doesn't affect the
20 objector in any way, with the objector's claims having been
21 already moved. Debtors' motion is granted.

22 MR. KAROTKIN: Thank you, sir. The next item is the
23 item to strike the declaration submitted by Mr. Parker in
24 connection with the appeal of Your Honor's order authorizing
25 the sale of assets under Section 363.

1 THE COURT: Right.

2 MR. KAROTKIN: And Mr. Parker, I believe, is on the
3 phone.

4 THE COURT: Yes.

5 MR. PARKER: Oliver Parker, yes, sir, I am.

6 THE COURT: Okay, Mr. Parker. Just standby, please.

7 All right, Mr. Karotkin, I'm going to let you speak, but we
8 really need to get a response from Mr. Parker.

9 Mr. Parker, there is a case that I have decided some
10 years ago, I think it was in Ames Department Stores, squarely
11 on point. You can't include as part of a record something that
12 was never before the bankruptcy judge, and that the bankruptcy
13 Court didn't consider. Now, are you suggesting to me that when
14 I issued that decision, I was wrong, or the cases upon which I
15 relied were wrong? Or is there something that I overlooked?

16 MR. PARKER: Your Honor, what I'm saying -- well, I'm
17 saying three things, simply. First off, I'm saying that I
18 don't believe the rules applies to nonsubstantive matters. I'm
19 not trying to change substantive records regarding the
20 substantive issues of your order. I'm just trying to bring
21 some procedural issues to the attention of the District Court
22 that I don't think the record adequately reflects.

23 Second, I believe that the motion was untimely. They
24 had ten days upon which to bring a motion, and they should have
25 brought it when they filed their counterdesignation. They

1 filed the counterdesignation -- I even think they filed it on
2 the last day, but they filed this the following day.

3 And thirdly, if the matter is going to be stricken,
4 then I would also request under Rule 8.006, I'd like to read
5 the relevant section of the rule. "Within 10 days after the
6 service of the appellant's statement the appellee may file and
7 serve on the appellant a designation of additional items to be
8 included in the record on appeal and, if the appellee has filed
9 a cross appeal, the appellee as cross appellant may file and
10 serve a statement of the issues to be presented on the cross
11 appeal". They filed a statement of issues, but they did not
12 file a cross appeal. As I read the rule, they were only
13 supposed to do a designation, a counterdesignation, they were
14 not supposed to be filing additional issues, since I did not
15 appeal. And in paragraph 13 of my objection, I brought to the
16 Court -- the Court might be striking my declaration, but the
17 Court's striking the -- your statement of issue, as well.

18 THE COURT: All right, Mr. Karotkin, you want to
19 respond?

20 MR. KAROTKIN: Yes, Your Honor. Very, very briefly,
21 our papers, again, address the issue. They address the Ames
22 case, to which you referred. The law in this circuit, in this
23 district is clear. And Mr. Parker does not dispute that his
24 declaration was not part of the record before this Court in
25 connection with the 363 hearing. And as a result, there is no

1 authority to support what he is requesting, and the authority,
2 obviously, is very clear. With respect to the timeliness of
3 the motion, there is nothing in the rules regarding the time
4 within which a motion to strike must be filed. Mr. Parker
5 cites no authority to suggest there is such a rule. We believe
6 our motion is timely. In addition, it was very clear, when we
7 filed our designation of record, that we intended to object.
8 So he certainly can't complain about a lack of notice. So we
9 think that --

10 THE COURT: Deal with his final point, that you're
11 forbidden from, as an appellee, from stating your perspective
12 of the issues for the appellate court to decide.

13 MR. KAROTKIN: I don't believe the rule forbids it,
14 and I think that, Your Honor, it is fairly common practice in
15 this district that in connection with a counterdesignation,
16 that a counterstatement of issues is made on appeal. The
17 issues, of course, will be addressed by the district court, in
18 any event.

19 THE COURT: All right. Mr. Parker, I'm granting the
20 debtors' motion to strike your declaration, and I'm denying
21 your cross-motions to strike the debtors' statement of its
22 perception of the issues on the appeal, and the following are
23 the bases for this decision. It's fundamental, at least in
24 this district, if not across the country, that the record on
25 appeal is supposed to provide the appellate court with the

1 information it needs to decide the appeal in the context of the
2 matters that were either presented to the lower court or
3 whether or not they were presented to the lower court, were
4 utilized by the lower court in making its decision. There are,
5 to be sure, mechanisms by which additional information can be
6 brought to an appellate court on motions, but they are
7 analytically distinct and not to be confused with the putting
8 together of the record on the appeal.

9 In my decision in Ames Department Stores, 320 B.R. at
10 pages 520 to 521, I pointed out that the touchstone for the
11 designation of matters part of record is whether the matter was
12 before the lower court, or at least considered by that Court in
13 entering the order or judgment appealed from. I relied upon
14 the earlier decision in W.T. Grant, 432 F.Supp. 105 at page
15 106, and conversely -- and other decisions of similar type,
16 including one out of the District of Connecticut, the record on
17 appeal should contain all items by the bankruptcy Court in
18 reaching a decision. Conversely, if an item was not considered
19 by the Court, it should be stricken from the record on appeal.

20 The Federal Rules of Bankruptcy Procedure do not
21 provide for a time by which a motion to strike matter from a
22 record must be brought, nor does other applicable law. I
23 assume, without deciding, that in an extreme case, a laches
24 argument might apply, but there is no indication here of either
25 prejudice or detrimental reliance upon that. So this is,

1 frankly, and with respect, Mr. Parker, one of the easiest
2 decisions I've had in a long, long time.

The final issue is the extent to which the appellee's statements of their perceptions of the issues to be heard on the appeal should be stricken. As Mr. Karotkin properly observes -- and Mr. Parker, you're a lawyer, and I assume you could have found something to support your position if it existed -- there is nothing in the rules that prohibits an appellee from stating its perception of the issues to be considered. While it is also true that, ultimately, this matter might more appropriately be considered by the appellate court, the fact is that, you know, I was a lawyer for thirty years, and I've been a judge for about nine, and in that nearly forty years, I've seen a lot of appeals and participated in them, and I have never seen a case in which each side didn't present its perception of the issues. Of course, that being only the starting point, the issues are ultimately presented in the briefs. And identifying the issues is more of a use in helping the appellate court get a first sense of the issues that are going to be raised, and not a full exposition of either parties' needs and concerns.

22 So the cross-motion is accordingly denied.
23 Mr. Karotkin, I'm going to ask you or one of your folks to
24 settle an order on two business days' notice by hand, fax, or
25 e-mail in accordance with this ruling, stating no more than for

1 the reasons stated on the record, your motion is granted and
2 the cross-motion is denied.

3 Mr. Parker, you're free to stay on the phone or get
4 off as you prefer.

5 MR. PARKER: Well, Judge, I have a question.

6 THE COURT: Well, I can't give you legal advice, but
7 you can ask me a question if it's a clarification of my ruling,
8 yes.

9 MR. PARKER: It's just with regard to -- do I need to
10 file an amended designation of protest?

11 THE COURT: You mean with your affidavit having been
12 stricken as part of the record?

13 MR. PARKER: Yes.

14 THE COURT: The rules are silent on it. I think it's
15 desirable. How much time would it take you to submit a new
16 document that just leaves off that one item?

17 MR. PARKER: Would five days be sufficient?

18 THE COURT: I would think that an hour would be
19 sufficient, but how about -- today's Tuesday. Mr. Karotkin,
20 would you be prejudiced if I gave him until the end of the
21 week?

22 MR. KAROTKIN: No, sir, that's fine.

23 THE COURT: Okay, you have until the close of business
24 on Friday, Mr. Parker. It would seem to me that all you have
25 to do is take one item off your list.

1 MR. PARKER: Okay. By the way, one point of
2 clarification to the order. The item was appendix 5 on the
3 previous one, so I guess it would be appendix 5 on the
4 stricken.

5 THE COURT: I don't know how to respond to your
6 question, Mr. Parker. I'm dealing with concepts. I don't know
7 how documents were numbered or presented as part of lawyers'
8 packages.

9 MR. PARKER: It was attached to the declaration as
10 appendix 5 to the declaration.

11 THE COURT: Are you asking me a question?

12 MR. PARKER: Just -- I'm just, I would take your word
13 in faith that the statement which was attached as appendix 5
14 was stricken. That's all.

15 THE COURT: Well, here's what I would like to suggest
16 that you and Mr. Karotkin do, or whoever's working for
17 Mr. Karotkin on this matter.

18 MR. PARKER: Sure.

19 THE COURT: I've addressed the concept. Although
20 Mr. Karotkin has the ability to settle the order, I would think
21 that he or the associate he assigns to take care of this would
22 happily take your phone call to make sure that you and he are
23 on the same page in describing the subject matter of the
24 motion.

25 MR. KAROTKIN: We'll contact Mr. Parker when we get

1 back to our office.

2 THE COURT: Okay.

3 MR. PARKER: Okay, thank you very much. I'm going to
4 hang up now.

5 THE COURT: Very good.

6 MR. PARKER: I appreciate it.

7 THE COURT: Thank you, have a good day. Next,
8 Mr. Karotkin?

9 MR. KAROTKIN: Item five, Your Honor, we now go into
10 the uncontested matters.

11 THE COURT: Sure.

12 MR. KAROTKIN: Item five is reporting requirements
13 under Rule 2015.3. There were no objections filed.

14 THE COURT: Granted.

15 MR. KAROTKIN: If we could hold item six for a moment.
16 That's the creditors' committee's motion to retain FTI.

17 THE COURT: Sure.

18 MR. KAROTKIN: Item seven was with respect to the
19 modification of the engagement letter with AP Services, LLC,
20 which is responsible for running the liquidation of Motors
21 Liquidation Company. The only -- I'm sorry, there were no
22 objections filed. The Office of the United States Trustee,
23 Your Honor, had requested that we add a paragraph to the
24 proposed order, which we have done. And if Your Honor please,
25 I can hand up a blackline.

1 THE COURT: Certainly. I assume it was prevetted with
2 the U.S. Trustee's Office?

3 MR. KAROTKIN: Yeah. This was a paragraph that they
4 asked us to include which we added word for word.

5 THE COURT: Okay.

6 MR. KAROTKIN: May I approach, sir?

7 THE COURT: Yes.

8 MR. KAROTKIN: And the last item is a motion to
9 reject -- the fifth omnibus motion to reject certain executory
10 contracts.

11 THE COURT: Pause, please, Mr. Karotkin.

12 MR. KAROTKIN: Sure.

13 THE COURT: As modified to add the language requested
14 by the U.S. Trustee's Office, it's approved. Ms. Caton, are
15 you waiting to be heard on that one?

16 MS. CATON: Yes, Your Honor.

17 THE COURT: Well, then, maybe I should defer the
18 ruling and give Ms. Caton a chance to be heard.

19 MS. CATON: Your Honor, I would just request that you
20 defer your ruling until after we hear from debtors' counsel on
21 their response to the FTI application. Our understanding from
22 late last night is that the debtors may have some issues with
23 the FTI application which we were not aware of. We did not
24 raise these issues with our committee, yet. And in light --
25 and I believe they're objecting to some of the reasonableness

1 of the FTI fees. And in light of their potential objection, we
2 would like to hear what, in fact, what they are before Your
3 Honor enter a ruling on the AlixPartners fees.

4 THE COURT: Well --

5 MS. CATON: And I apologize for this, Your Honor.

6 THE COURT: -- Ms. Caton, forgive me, it sounds a
7 little tit for tat. There wasn't an objection to the Alix
8 motion, and I certainly understand why you would want not to be
9 judged by a double standard.

10 MR. KAROTKIN: Your Honor, could I just --

11 THE COURT: As a courtesy to you, I will certainly
12 confess that when I said that the motion was granted, it was
13 without giving you a chance to be heard, but it was because you
14 folks hadn't filed an objection, either. Mr. Karotkin, if you
15 have something to say that's relevant to this, I'll hear it.
16 But I got to tell you guys that I prefer to decide matters on
17 the record, rather than helping you guys, you know, maintain
18 leverage over each other.

19 MS. CATON: I understand.

20 THE COURT: Mr. Karotkin?

21 MR. KAROTKIN: Yes, sir. Hopefully, I can cut this
22 short. If I can just address the FTI, quickly?

23 THE COURT: I'm not aware of there being an objection
24 on that, either.

25 MR. KAROTKIN: There is not. The only thing we would

1 request in connection with the FTI motion -- and I acknowledge
2 that the debtors did not object to it, we have no objection to
3 the retention -- is that they are required to maintain time
4 records on a monthly basis for the period subsequent to July
5 10th, and I believe that the U.S. trustee has requested that
6 they do it, and they have agreed. And I believe that FTI,
7 we've asked them if they would furnish those to the debtors,
8 and they have agreed that they would do so. And that's my only
9 comment.

10 THE COURT: All right. Ms. Caton, is there a
11 difference in perspective between you and the debtors or not on
12 FTI, now. We're switching away from AlixPartners.

13 MS. CATON: My apologies, Your Honor. No, I don't
14 believe there is, and this was all very last minute and I
15 apologize for bringing this to Your Honor's attention.

16 THE COURT: All right. FTI's granted, too. And I
17 have enough confidence in FTI, just like I do in Alix, that I
18 don't care whether it's papered in the order or not, unless the
19 U.S. Trustee's Office wants it to be. But if the U.S. trustee
20 wants it to be, it's certainly entitled to have it papered.
21 And both motions are granted.

22 Pause for a second, both of you folks.

23 Mr. Velez-Rivera, Mr. Matsumoto (ph.), do either of you guys
24 want to comment on that?

25 MR. VELEZ-RIVERA: Good morning, Your Honor. Andrew

1 Velez-Rivera for the U.S. trustee. We've reviewed both forms
2 of order, including the Alix one as amended, and we're fine
3 with both.

4 THE COURT: Good enough. All right. Alix is
5 approved; FTI is approved.

6 MR. KAROTKIN: I believe, Your Honor, the rest of the
7 matters have been adjourned.

8 THE COURT: Okay.

9 MR. KAROTKIN: And I think that -- I'm sorry, number
10 eight. Number eight, I don't know if we addressed number
11 eight, yet. I think we were moving to number eight when
12 Ms. Caton stood up. So I apologize. Number eight is, again,
13 uncontested. The fifth omnibus motion to reject certain
14 executory contracts. There was a limited objection filed by
15 Mr. Harvick (ph.), but I believe he's either withdrawn it or
16 it's been resolved, and he has no objection to the order being
17 entered.

18 THE COURT: Okay, it's granted.

19 MR. KAROTKIN: And I believe that concludes the
20 hearing, sir.

21 THE COURT: Okay. Anybody who is here solely on GM is
22 free to leave, and we're going to take --

23 MR. KAROTKIN: Excuse me, I'm sorry. I guess they've
24 resolved the order on the --

25 THE COURT: Oh, yes.

1 MR. KAROTKIN: -- de minimis assets sales.

2 THE COURT: Come on up, please.

3 MS. BERKOVICH: Ronit Berkovich, Weil, Gotshal &
4 Manges for the debtor. We've agreed to add language to the
5 order. It would say nothing in this order shall authorize the
6 debtors to sell assets they do not own, including any leased
7 equipment, and I believe that resolves the objection of IDB
8 Leasing.

9 MR. DOSHI: For the record, Your Honor, Amish Doshi
10 with Day Pitney on behalf of IDB Leasing. That is correct, and
11 I appreciate Your Honor's patience in getting this resolved
12 consensually. Thank you.

13 THE COURT: Of course. The order will so provide.
14 Okay, anybody who was here solely on GM is free to go, and
15 we're going to start in with Lyondell Chemical without a
16 recess.

17 MR. DOSHI: Thank you, Your Honor.

18 THE COURT: Thank you, have a good day.

19 (Proceedings concluded at 10:17 a.m.)

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2 C E R T I F I C A T I O N

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4 I, Dena Page, certify that the foregoing transcript is a true
5 and accurate record of the proceedings.

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8 Dena Page

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10 Veritext LLC

11 200 Old Country Road

12 Suite 580

13 Mineola, NY 11501

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15 Date: August 19, 2009

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